VZCZCXRO5505 OO RUEHCI DE RUEHKT #1868/01 2831052 ZNY CCCCC ZZH O 101052Z OCT 07 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 7312 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 6102 RUEHLM/AMEMBASSY COLOMBO PRIORITY 6410 RUEHKA/AMEMBASSY DHAKA PRIORITY 1661 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4432 RUEHLO/AMEMBASSY LONDON PRIORITY 5694 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1929 RUEHCI/AMCONSUL KOLKATA PRIORITY 3821 RUEHGV/USMISSION GENEVA PRIORITY 1869 RUCNDT/USMISSION USUN NEW YORK PRIORITY 2956 RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 001868

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E.O. 12958: DECL: 10/10/2017 TAGS: <u>PGOV PTER KDEM IN NP</u>

SUBJECT: NEPAL: LOW EXPECTATIONS FOR PARLIAMENTARY SPECIAL

SESSION

Classified By: Ambassador Nancy J. Powell. Reasons 1.4 (b/d)

Summary

11. (C) Senior staff at the Interim Parliament expect the special session which begins October 11 will address two topics only: a purely proportional system for the Constituent Assembly election and the declaration of a republic. Maoist Members of Parliament cited these two issues when they invoked the special session. The Nepal Police have made plans to thwart the public threat by the Maoists to encircle the main government compound during the session, but according to the police, the protest is not expected to be large or violent. As the parties continued jockeying for position in the wake of the October 5 postponement of the

election, the former Indian Foreign Secretary arrived in

Two Topics Only

Kathmandu. End Summary.

12. (C) According to Mukunda Sharma, the spokesman of the Interim Parliament, and Manohar Bhattarai, Special Secretary at the Parliament, the special parliamentary session scheduled to begin at 4 p.m., October 11, will address two topics only. One of the topics is the adoption of a purely proportional system for the Constituent Assembly (CA) election. The other is the immediate declaration of a republic. The 84 Maoist Members of Parliament (and three other leftist MPs) allies who invoked the session cited those two issues in their demand to Prime Minister Koirala. Senior staff at the Parliament have explained that the Speaker could rule any other topics -- such as changing the deadline in the Interim Constitution for an election from December to April or a vote of no-confidence in the Prime Minister -- as out of order.

Low Likelihood of Major Developments

 $\P 3$. (C) Sharma told Emboff October 9 that he expected the October 11 session would begin with speeches by the Maoists and a few of their allies on the two topics. Representatives

from the other parliamentary parties might also speak. The session would then be adjourned until October 14 to give the parties the opportunity to discuss the Maoist demands. Nepali Congress (NC) MP and Central Committee member Chakra Bastola informed Emboff October 10 that he did not expect Prime Minister Koirala to abandon his opposition to a purely proportional election system or to agree to anything more than a commitment to vote for a republic at the first session of the CA. Finance Minister Ram Sharan Mahat, who is also an MP and senior NC leader, was equally dismissive October 9 that the special session would result in any major shifts.

A Note On the Law

14. (SBU) The current mixed electoral system for the CA is enshrined in the Interim Constitution. To change it, the Maoists would need a two-thirds majority in the Interim Parliament -- 219 seats out of 327. The Maoists, the center-left Communist Party of Nepal - United Marxist Leninist and the other small leftist parties combined command only 182. The Maoists also have no guarantee of unified leftist support. The Interim Constitution as amended provides that the Parliament may abolish the monarchy if the King is found posing obstacles against the CA election. But again, this requires a two-thirds majority.

Maoist Protest

 $\underline{\P}5$. (C) The Maoist leadership has announced publicly that its cadres will encircle Singha Durbar, which is the main Government compound and the seat of the Parliament, during

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the October 11 session. Nepal police sources told post October 10 that they had a security plan in place, but did not anticipate large or violent protests. Other sources are less sanguine.

Comment

16. (C) The special session of the Interim Parliament which Maoist MPs have invoked to start October 11 is shaping up as more theater than substance. Absent a breakthrough in the Six-Party plus Maoist talks which are next scheduled for the morning of October 11, it seems unlikely that the Maoists will make much headway on either of their two principal issues. Meanwhile, the parties continue to jockey for position in the wake of the October 5 decision by the Government and the Maoists to postpone the polls. Neither the Maoists nor the parties appear to have any practical plans for how to resolve the current impasse. Much speculation at the end of the day October 10 centered on what effect the arrival in Kathmandu of former Indian Foreign Secretary, and Ambassador to Nepal, Saran would have on

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Nepal's brewing political crisis. POWELL